

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

IN RE: : CHAPTER 7  
:   
AMERICAN UNDERWRITING : CASE NO. 18-58406-SMS  
SERVICES, LLC, :   
:   
Debtor. :

**APPLICATION OF TRUSTEE FOR ALLOWANCE OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES AS CHAPTER 11 TRUSTEE**

COMES NOW S. Gregory Hays, Chapter 7 Trustee and former Chapter 11 Trustee  
 (“**Applicant**” or “**Trustee**”) American Underwriting Services, LLC (“**Debtor**”), and respectfully  
represents:

1.

Applicant is the duly authorized and acting Chapter 7 trustee for the bankruptcy estate of  
the Debtor. For the period July 27, 2018 through July 26, 2018, Applicant served as the Chapter  
11 trustee (“**Chapter 11 Trustee**”) for the Debtor.

2.

In the administration of the bankruptcy estate of the Debtor as Chapter 11 Trustee,  
Applicant rendered those services required as Chapter 11 Trustee from June 27, 2018 through July  
26, 2018 (“**Application Period**”), and makes this Application of Trustee for Allowance of  
Compensation and Reimbursement of Expenses as Chapter 11 Trustee (“**Application**”) in the total  
amount of \$5,067.85 consisting of \$5,024.17 in compensation and \$43.68 in expense  
reimbursements.

3.

The statutory allowance pursuant to 11 U.S.C. §326 based on distributions of \$42,741.69 during the Application Period and as reported on the monthly operating reports filed with this Court is \$5,024.17. A calculation of the trustee commission is attached as Exhibit “A. The reasonable value of the services rendered by Applicant in these proceedings during the Application Period is \$5,024.17.

### **Background**

4.

On May 18, 2018 (the “**Petition Date**”), American Underwriting Services, LLC (“**Debtor**”) filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (as amended, modified, or supplemented, the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division, initiating Chapter 11 Case No. 18-58406-sms.

5.

On June 27, 2018, the United States Trustee filed a Notice of Appointment of Chapter 11 Trustee and Setting of Bond [Doc. No. 70] pursuant to which S. Gregory Hays was appointed as the Chapter 11 Trustee for the bankruptcy estate of the Debtor. After the United States Trustee filed an Application for Approval of Selection of Appointment of Chapter 11 Trustee [Doc. No. 73] on June 28, 2018, the Court entered an Order Approving Appointment of Chapter 11 Trustee [Doc. No. 77] on June 29, 2018, confirming the appointment of S. Gregory Hays as the Chapter 11 trustee in the Case.

6.

On August 1, 2018, the Court converted the Case to a proceeding under Chapter 7 effective July 27, 2019 [Doc. No. 106] and directed the United States Trustee to appoint a trustee in the Chapter 7 Case.

7.

Shortly thereafter, Trustee was appointed, and he remains, the duly acting Chapter 7 trustee in this Bankruptcy Case.

### **Summary of Services Performed**

8.

In summary the Trustee performed or supervised activities involving the following during the Application Period:

a. Reviewed docket activity, debtor's bankruptcy schedules and Statement of Financial Affairs. Met with Debtor's counsel, Chief Restructuring Offices and other professionals regarding case issues, company operations and bankruptcy case. Met with officers and employee of the Debtor regarding various matters to determine course of bankruptcy case.

b. Pursued the sale of the company business, compiled information for same, discussed same with potential purchasers.

c. Addressed operational issues such as payroll, new bank accounts, outstanding invoices, insurance contract renewals and contracts.

d. Conducted meeting of creditors. Various calls with creditors and insurance carrier creditors.

e. After meeting with parties and exploring possible sale, determined that conversion to Chapter 7 was best course of action and filed motion to convert.

9.

This Application is filed pursuant to §330 and §331 of the U.S. Bankruptcy Code. Applicant shows that the compensation requested by Applicant satisfies the standards and guidelines set forth in *Johnson v. Georgia Highway Express*, 488 F.2d 714 (U.S.C.A. 5<sup>th</sup> 1974), and *In Re First Colonial Corporation*, 544 F.2d 1291 (U.S.C.A. 5<sup>th</sup> 1977), as amplified by *Norman v. Housing Authority of City of Montgomery*, 836 F.2d 1292 (11<sup>th</sup> Cir. 1988). Trustee shows that pursuant to 11 U.S.C. §326, Trustee is entitled to \$5,024.17 as Trustee commission based on distributions of \$42,741.69 of non-exempt funds.

10.

Applicant has incurred actual and necessary costs and expenses properly paid in his own funds, in the amount of \$43.68, which are chargeable to the Bankruptcy Estate, none of which have been repaid, and for which the Trustee requests reimbursement. A list of said expenses, is attached hereto as Exhibit “B”.

**WHEREFORE**, Trustee respectfully requests this Court to enter an order:

- (a) Allowing Applicant compensation in the amount of \$5,024.17 rendered by the Trustee;
- (b) Allowing Applicant the sum of \$43.68 for the reimbursement of actual and necessary out-of-pocket expenses incurred in this bankruptcy case during the Application Period;
- (c) Authorizing the Trustee to pay Applicant the allowed compensation and expenses, totaling \$5,067.85, from Trustee’s fiduciary account for this bankruptcy case; and

(d) Granting Applicant such other and further relief as may be just and proper.

Respectfully submitted this 22nd day of July 2021.

Hays Financial Consulting, LLC  
2964 Peachtree Rd, NW, Ste 555  
Atlanta, Georgia 30305  
(404) 926-0060

/s/ S. Gregory Hays  
S. Gregory Hays  
Chapter 7 Trustee

# Exhibit A

**Trustee's Compensation - Chapter 11 Disbursements**

**Computation of Compensation**

**Disbursements as Reported on Monthly Operating Reports**

June 27, 2018 through June 30, 2018	\$ 25,084.44
July 1, 2018 through July 26, 2018	\$ 17,657.25
Total disbursements to other than the debtor are:	<u>\$ 42,741.69</u>

Pursuant to 11 U.S.C. 326, compensation is computed as follows:

25% of First \$5,000	\$ 1,250.00
10% of Next \$45,000	\$ 3,774.17
5% of Next \$950,000	\$ -
3% of Balance	<u>\$ -</u>
	\$ 5,024.17

<b>Maximum Allowable Trustee Compensation</b>	<b>\$ 5,024.17</b>
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Amount Requested this Application	\$ 5,024.17
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## Exhibit B



**Hays Financial Consulting, LLC**

2964 Peachtree Road  
Suite 555  
Atlanta, GA 30305-2153

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**American Underwriting Services, LLC**  
**Case # 18-58406-SMS**

**For the Period from 6/27/2018 to 7/26/2018**

July 20, 2021

	<u><b>Amount</b></u>
6/27/2018 Mileage expense round trip to AUS offices	30.78
7/12/2018 Pacer on-line charges	<u>12.90</u>
<b>Total costs</b>	<b>\$43.68</b>